

# Report

Report to:	<b>Executive Committee</b>
Date of Meeting:	<b>16 August 2023</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Cost of Living – Support</b>
----------	---------------------------------

## 1. Purpose of Report

1.1. The purpose of the report is to: -

- ♦ provide the Executive Committee with an overview of the support provided to households in South Lanarkshire significantly impacted by the cost of living crisis

## 2. Recommendation(s)

2.1. The Executive Committee is asked to approve the following recommendation(s): -

- (1) that the range of support being provided by the council to households in response to the impact of the cost of living crisis is noted;
- (2) that the re-direction of 2023-24 funding for energy support to the Financial Wellbeing Support Fund as outlined in section 4.1 is approved; and
- (3) that the re-direction of any underspend from the provision of energy support to the Financial Wellbeing Support Fund as outlined in 4.2 is approved

## 3. Background

- 3.1. The UK is experiencing the worst cost of living crisis in 40 years. A combination of continuing high inflation and successive increases in interest rates is putting further pressure on household incomes. While there are some signs energy costs are starting to ease, they remain significantly higher than they were before February 2022.
- 3.2. Both the UK and Scottish governments have formally recognised the cost-of-living crisis and have deployed emergency measures to help mitigate the impacts of rising costs.
- 3.3. On 21 September 2022, the Executive Committee noted a package of cost-of-living supports to a value of £92m with nearly £3m from new measures in 2022-23. New supports included a Financial Wellbeing Support Fund and support for energy costs, both funded by the Local Authority COVID Economic Recovery Fund (Elected Member briefing April 2022) and a proposal to write off school meal debt. Existing supports included the council's Money Matters Advice Service, the Scottish Welfare Fund and support for tenants.
- 3.4. On 30 November 2022, the Executive Committee noted, in terms of Standing Order No 37 (c), the action taken by the Chief Executive, in consultation with the Chair and an ex-officio member, to progress a range of initiatives to further support households and the funding of £4.680m allocated to deliver them. Initiatives included free

community lets to all community groups, free swimming sessions for under-16s, support for foodbanks and a looked-after children payment.

- 3.5. This report provides an update on the position for 2022-23 against the wide range of support activity undertaken and an outlook for 2023-24.

#### **4. Cost-of-Living Support (Executive Committee 21 September 2022)**

##### **4.1. Financial Wellbeing Support Fund**

- 4.1.1. The Financial Wellbeing Support Fund was launched in June 2022 by the Money Matters Advice Service (MMAS), with the purpose of the fund to help assist with recovery from Covid 19 and help mitigate some of the worst effects of the cost-of-living crisis, by providing cash payments of £250 to the most vulnerable households.
- 4.1.2. It aimed to do more by linking payments and access to the fund with clients receiving welfare benefit, debt and energy advice. The aim was to not just provide service users with cash payments, but also provide advice to build financial resilience.
- 4.1.3. From the launch of the fund until the end of the financial year, it supported 5,137 households, distributing £1.2m in funding to households.
- 4.1.4. A partnership approach was taken to the fund, so applications could be made by MMAS, SLC Housing and the four South Lanarkshire Citizen Advice Bureaux. The fund is expected to finish in June 2023 by which point it is forecast to have supported over 6,000 households with a spend of £1.625m against an allocation of £1.640m.
- 4.1.5. Given the success of the fund in distributing cash to households coupled with advice and support, it is proposed to re-direct funding earmarked for the provision of energy vouchers in 2023-24 to a further round of wellbeing payments. It is estimated that £0.425m will be available for this, available from the original Local Authority COVID Economic Recovery Fund (LACER) fund allocation.
- 4.1.6. The value of the payments will be £50 to ensure the funds are able to support many more families. It is estimated the funding will support 4,250 families per year over the course of the next two years. A new arrangement has been set up the Fuel Bank Foundation to allow referrals to be made for the provision of energy vouchers, therefore ensuring support can continue to be provided. This will be at no cost to the council.
- 4.1.7. Two temporary MMAS advisors were added to the team at a cost of £0.080m, covering 2022-23 and 2023-24. This additional capacity helped to ensure more households benefitted from advice and support on maximising income through claiming benefits and managing debt. Full spend is expected.

##### **4.2. Energy Support**

- 4.2.1. The MMAS has also been delivering an energy voucher scheme in conjunction with the Wise Group for households on prepaid meters. By the end of May, over 8,000 vouchers had been issued. This activity will continue to the end of August 2023. Any underspend is proposed to be ringfenced for further support activity through the Financial Wellbeing Support Fund, as referenced in section 4.1.
- 4.2.2. Two dedicated Energy Advisors at a cost of £0.075m supported households in managing their energy costs and consumption. From being employed in September 2022 until the end of the financial year, the Energy Advisers dealt with 561 unique clients and opened 1,035 cases, of which 351 were energy cases. They generated

£226,220 in total calculated financial gains for their clients (average gain per client was £403). Full spend is expected.

- 4.2.3. The Capped Meter Fund supports social rented tenants who are struggling to pay their utility costs and who have had their pre-payment meter capped. This often happens when the annual gas safety check is being carried out and there is no credit in the meter. This means the service cannot be completed and the gas supply is disconnected.
- 4.2.4. The Capped Meter Fund is used to clear the tenant's debt on the meter and allow a limited provision of gas to be supplied, enabling the meter to be uncapped and the gas safety check to be completed. The main aim of the fund is to prevent households being disconnected from the gas supply.
- 4.2.5 The £0.050m which was allocated to the fund allowed Housing Services to purchase energy vouchers that were issued to vulnerable tenant households, allowing them to clear their meter debt, have their gas service completed and prevented their gas supply being disconnected/capped. Spend of £0.045m was achieved against an allocation of £0.050m.

### **4.3. Education Advice Project**

- 4.3.1. Two full time equivalent (FTE) Family Wellbeing Assistants were based in two schools – Calderside Academy and Lanark Grammar. These two schools were selected following consideration of deprivation levels and provided one urban setting and one rural setting.
- 4.3.2. Despite considerable investment by MMAS staff, the project did not receive the volume of referrals hoped for. In December, the staff were, therefore, redeployed into MMAS to assist in meeting the rising demand the service was experiencing. It is believed, as MMAS is a well-established service, parents/carers prefer to contact MMAS through traditional pathways. The low numbers of parents and carers entering the schools because of changing behaviours following COVID-19 was also considered a contributing factor in the low numbers of referrals.
- 4.3.3. Full spend of £0.065m was achieved, acknowledging an element of this cost was attributed to supporting activity in MMAS.

### **4.4. Other Support**

#### **4.4.1. Digital Inclusion**

The Digital Inclusion fund was established to help residents, particularly in high Scottish Index of Multiple Deprivation areas, access services digitally. The fund has targeted community centres and libraries in Neighbourhood Planning areas to assist families which are homeless or which may otherwise be unable to afford broadband access from homes. A fund of £0.120m was allocated.

Facilities that have received funding to improve public Wi-Fi are:-

- ♦ Blantyre Library
- ♦ Burnbank Burgh Hall/Library
- ♦ Fairhill Integrated Facility
- ♦ Halfway Library
- ♦ Hillhouse Community Centre/Library
- ♦ John Wright Sport Centre

Funding was also used to improve the accessibility of the council website for visually impaired users, whilst also providing translation capability in 130 languages including Gaelic and to provide support for greater interaction through social media channels.

Improvements to public Wi-Fi at Blantyre Leisure Centre are currently being planned, and applications to install Wi-Fi at Smyllum Resource Centre (Healthy Valleys) and Crawford Village Hall (Crawford and Elvanfoot Community Council) have also been approved. Full spend is expected.

#### 4.4.2. Lived Experience Funding

The Community Planning Partnership Board approved the distribution of the Lived Experience Fund to Cambuslang and Rutherglen and Clydesdale Community Partnerships in September 2022. The Community Partnerships have each met three times since then. As this is a new process for the Community Partnerships, they have both taken time to develop their governance arrangements. No funds have been committed yet, but several projects are at the development stage, and it is expected that the additional funds of £0.006m will be committed in the autumn with full spend expected.

#### 4.4.3. Money Matters – Employability Advisor

As a result of the provision of temporary funding from the Employability Service, the MMAS recruited a designated Employability Advisor. The advisor opened 455 new cases by the end of the 2022-23 financial year, dealing with 281 unique clients. 40% of unique clients were found to be living in poverty. The advisor achieved total annual benefit awards of £0.170m and dealt with £0.024m of debt. Full spend is expected against the funding of £0.060m.

### 5. **Existing Council Support for Households**

#### 5.1. **Money Matters Advice Service**

5.1.1. Since April 2022, the MMAS has been implementing several measures to improve services for residents and to increase capacity to deal with the impact of the cost-of-living crisis.

5.1.2. One of these changes has been the introduction of a new case management system that allows more detailed and improved reporting, case management and an improved workflow system. Changes have also been made to the categorisation of enquiries to allow more accurate reporting.

5.1.3. In 2022-23, there were 2,825 unique clients who sought debt advice and 3,256 Debt Cases/Enquiries. There were also 12,324 unique clients who sought benefit advice and 30,724 cases. The summary position for the year for welfare support cases is provided below:

Financial Gain Type	Total Calculated Financial Benefit	As a % of the Total
Welfare Benefits	£24,301,008.98	88.00%
Financial Wellbeing Support Fund	£975,616.37	3.53%
Emergency Top Up Vouchers	£624,313.00	2.26%
Debt Write off	£1,713,307.01	6.20%
<b>Total</b>	<b>£27,614,245.36</b>	<b>100.00%</b>

5.1.4. In 2022/2023, MMAS dealt with £7.47m in problem debts. 30% of this was debt owed to South Lanarkshire Council. This, however, should not be seen negatively, but rather

that the positive working relationship MMAS has with Benefit and Revenues and Housing is paying off, with more residents being referred and self-referring for help from MMAS.

5.1.5. Other improvements have been the move to one helpline number for the service and the centralisation of call handlers. A new upgraded telephony system is now also introduced to improve the call management information available.

5.1.6. 98% of all clients now contacting MMAS are receiving advice through non-in-person advice delivery methods, with the main contact route being telephone based. This is significantly different to the pre-covid landscape where most clients received in-person advice. With the change to mainly telephone based appointments, clients have not been required to travel to council offices and, importantly, this more efficient way to deliver the service has allowed more clients to be supported. Face-to-face appointments are still available should a client request one.

## **5.2. Scottish Welfare Fund**

5.2.1. There continues to be significant demand for grants from the Scottish Welfare Fund (SWF) with applications for crisis grants remaining at the record levels experienced during the Covid-19 pandemic due to the cost-of-living crisis. Grants to a value of £3.412 million were awarded in 2022-2023 with the award rate of 62%, 2% lower than in 2021-2022.

5.2.2. Through the Scottish Government allocation in 2023-24, the SWF continues to provide support to individuals and families on benefits or on low incomes.

## **5.3. Support for Tenants**

5.3.1. Housing Services continue to support council tenants with rent arrears by providing financial assistance through their successful Tenancy Sustainment Fund, sustaining tenancies and preventing homelessness. During 2022-23, in addition to the council's Tenancy Sustainment Fund allocation, additional financial support of £0.379m from the Scottish Government through the Tenant Grant Fund (£0.029m) and LACER Fund (£0.350m) was also made available to tenants across the social and private rented sectors, who were financially impacted by the Covid-19 pandemic, in rent arrears and at risk of eviction. Both the Tenancy Sustainment Fund and the additional funding from the Scottish Government were fully utilised by year end.

5.3.2. To ensure tenants are aware of the supports available, the Resource continues to promote the advice and assistance which is available to tenants through the council's social media platforms and in the Housing News, which is issued to all council tenants.

5.3.3. There remains a continued pressure on the council's Homelessness Service to provide permanent accommodation and support households experiencing homelessness, particularly as homeless applications continue to increase, both nationally and locally. Households which are experiencing homelessness continue to be vulnerable to financial insecurity and hardship, particularly during the continuing cost-of-living crisis.

## **5.4. Provision of Benefits**

5.4.1. The council also provided the following additional benefits to support low-income households in 2022-23:

- ◆ Council Tax Reduction (£21.917m) with 30,139 households supported
- ◆ Free School Meals (£1.544m) with 9,544 school pupils provided with Free School Meals – Holiday Support payments
- ◆ School Clothing Grants (£1.751m) with 12,672 clothing grants awarded
- ◆ Discretionary Housing Payments (£0.938m)

◆ Housing Benefit (£59.194m)

**6. School Meal Debt**

- 6.1. School meal debt of £0.100m was identified for consideration of write-off by Education Resources. A total of £0.077m has now been approved for write-off following consideration by the Finance and Corporate Resources Committee.
- 6.2. On all remaining school meal debt, Education Resources is working with schools to review amounts owed for school meals. This exercise is being done with the utmost sensitivity and will identify further cases where write-off of debt is appropriate.
- 6.3. There continues to be joint working within the council by Community and Enterprise Resources providing the school meal service and Education Resources to support families and signpost all supports available. The council continues to provide a school meal for all children who require one, even if they are unable to pay on the day.

**7. Cost of Living Crisis – Additional Supports (Executive Committee 30 November 2022)**

**7.1. Investments and Initiatives**

- 7.1.1 As part of the Warm Welcome Initiative South Lanarkshire Leisure and Culture (SLLC) played a role in providing additional community provision, specifically around free lets to community groups and free swim sessions for Under-16s.
- 7.1.2 As reported to the Executive Committee in November there were, already provision made within the council's budget for 2022-23 to pay £1m to SLLC in respect of lost income from the pandemic that would be met from Covid funding carried forwards. As of November, it was reported that there was likely to be a further shortfall in income within SLLC's activities for which there was no further money budgeted within the council to pay SLLC more in 2022-23. The in-year pressures faced by SLLC, while recovering from the impact of the pandemic, were such that without increased funding from the council, there would be a risk that SLLC would not have been financially stable enough to meet its obligations and continue its business for the remainder of the year.
- 7.1.3 It was agreed that a further payment could be made by the council as part of its Warm Welcome Initiative, and on paying an additional amount of £3m to SLLC (£1m already included in the budget, plus an additional £2m), the council would ask SLLC to make additional community provision. Providing extra funds enabled SLLC to keep all facilities that were operating at that time open through the winter period and available for the community to access. As a result, people across our communities had open access to warm space within SLLC-run facilities, throughout winter 2022-23.
- 7.1.4 A key part of SLLC's response to the Warm Welcome Initiative was to make available space within libraries and this was actively publicised through online and physical media channels. SLLC library staff have highlighted the extensive use made of library spaces by individuals and families during this period. An additional part of the response was to introduce Stay and Play sessions, where families were encouraged to stay for a warm drink and access to books, games and toys after Bookbug sessions, which again would not have been available without the support of the Warm Welcome Initiative. Between November 2022 and March 2023, Bookbug sessions attracted over 13,000 children and almost 12,000 adults. General use of the Stay and Play sessions was monitored, and feedback gathered from library staff reported that uptake was high.
- 7.1.5 Additionally, halls and leisure centres offered free lets to community groups in exchange for opening their doors to members of their communities to join in their

activities. Some existing community groups also promoted the Warm Welcome Initiative and additional members of the public were able to attend as a result of this. Across halls and leisure sites, 1,365 events were delivered under the Warm Welcome Initiative. Appendix 1 provides some case studies illustrating the benefits experienced by community groups as a result of the initiative.

- 7.1.6 Free swims were offered to under-16 residents and families were able to participate together in a healthy activity at a reduced cost with only the adults paying. Children aged 8 to 15 were able to attend our warm, free and safe environments without a supervising adult, giving parents peace of mind. Customers could stay for as long, or for as short, a period as they wanted. Providing warm showers at our nine pools was extremely beneficial at a time with increased energy costs and the rising cost-of-living. 26,931 free swims were recorded between November 2022 and March 2023.

## **7.2. Support for Foodbanks**

A total of 57,709 people have been supported through foodbanks in 2022-23. Compared to the available figures from 2021-22, there has been a 45% increase in people being fed through emergency food parcels. There have been 31,929 households supported, with 35,971 adults and 21,738 children. Compared to the available figures from 2021-22, there has been a 19% increase in households referred to local foodbanks, including a 45% increase in adults and a 33% increase in children.

The £0.100m available was provided to all of the operating foodbanks in South Lanarkshire based on size and activity levels.

## **7.3. Extend School Meal Payments to Weekends**

As part of a package of measures aimed at providing additional financial support to households during the cost-of-living crisis, the council agreed to provide cash payments to households with children in receipt of free school meals to cover weekend days from the beginning of November 2022 up to the end of March 2023.

A total of 9,544 school pupils were provided with Free School Meals – Weekend Support payments in 2022-23 at a value of £0.959m.

## **7.4. Energy Support Payment**

An additional £0.425m was allocated to the provision of support for households with prepaid meters. Including the original contract value, it is estimated this funding will support the provision of up to 12,400 vouchers.

## **7.5. Looked After Children**

Activity covered three distinct areas with a total cost of £0.112m against the funding allocation of £0.135m.

As intended, Who Cares Scotland utilised the £40,000 for A Winter Wishes Programme, the outcomes of which assisted:

- ◆ 207 people supported by the fund, the majority of whom lived in their own tenancy
- ◆ 17 families with care experienced parent directly supported
- ◆ 5 new partnerships agreed with national retailers to support delivery of wishes at pace
- ◆ New food larder in the HUB (Jimmy Swinburne Centre) allowing care experienced young people quick access to food without reliance on foodbanks.
- ◆ 25 staff and volunteers involved in delivering winter wishes

The Winter Wishes offer consisted of 3 tiers of support, allowing 605 young people to be supported totalling £60,500 with direct funding to the carer (foster/ kinship/ family carers) across:

- ◆ Tier 1 - £250 voucher of choice (families)
- ◆ Tier 2 - £150 voucher of choice
- ◆ Tier 3 - £50 voucher of choice or alternative payment (for example, custody payments)

For those children looked after at home with parents who met the criteria for the £100 payment, 109 children across the four localities were supported with £0.011m of funding.

## **8. Outlook**

- 8.1. The significant pressure on household finances is expected to continue throughout 2023-24 because of food price inflation and rising interest rates. The demand for welfare advice and support services is, therefore, expected to continue to be significant.
- 8.2. The council will continue to provide support from the range of services and budgets available. However, the financial challenges councils are facing are a limiting factor in the level of support that can be provided to households in South Lanarkshire.

## **9. Employee Implications**

- 9.1. An additional 2 FTE Money Advisors, 2 FTE Energy Advisors and 1 FTE Employability Advisor were recruited on a 12 month basis to supplement the resources available to the service. An additional 4 FTE were also allocated to the Scottish Welfare Fund, also on a 12 month basis to support the provision of crisis and community care grants. These arrangements will come to an end in 2023.

## **10. Financial Implications**

- 10.1. The financial implications of providing the range of support described are presented throughout the report and were met from existing budgets and from funding through the council's LACER allocation from the Scottish Government.

## **11. Climate Change, Sustainability and Environmental Implications**

- 11.1. There are no direct climate change, sustainability and natural environment implications arising from this report.

## **12. Other Implications**

- 12.1. While the council has provided a broad range of support throughout 2022/2023 with a significant level of financial resources, the actions outlined in the report could not be sufficient to fully mitigate the worst effects of the cost-of-living crisis experienced by many households. This reflects the scale and depth of the crisis and the need for significant input from other sectors such as governments and the energy sector.
- 12.2. The ability of local government to provide further mitigation remains heavily reliant on the responses from both UK and Scottish governments and the severity of the economic conditions that are experienced.

## **13. Equality Impact Assessment and Consultation Arrangements**

- 13.1. There is no requirement to equality impact assess the content of this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**



4 July 2023

**Link(s) to Council Values/Priorities/Outcomes**

- ◆ Accountable, effective, efficient and transparent

**Previous References**

- ◆ None

**List of Background Papers**

- ◆ None

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact: -

Craig Fergusson, Head of Finance (Transactions)

Ext: 4951 (Tel: 01698 454951)

E-mail: [craig.fergusson@southlanarkshire.gov.uk](mailto:craig.fergusson@southlanarkshire.gov.uk)

## Warm Welcome Initiative Case Studies

### Case Study 1

Hand Made Arts and Crafts meet each Wednesday in Uddingston Community Centre but faced having to give up their sessions as the impact of the pandemic and cost-of-living crisis continued to affect communities across South Lanarkshire.

The Warm Welcome package agreed by the council helped SLLC keep venues open and widened the number of spaces available.

This allowed the long-standing Hand Made group, which mainly comprises older women, to keep their meetings going and also attract new members.

Margaret Paterson, who has run the group for more than six years, said: “Knowing that we could keep our meetings going, even bringing in new members, during the winter was fantastic for us, especially coming out of years of lockdowns which meant so many had no choice but to be at home.”

### Case Study 2

The Men’s Shed Group at Carluke Leisure Centre had a regular weekly booking at Carluke Leisure Centre when they signed up to the Warm Welcome Initiative. During that time on average around 20 members attended each week.

Gerry Howley, the chair of the Men’s Shed, said: “The high cost of energy bills was an increasing problem for all the group’s members. So, taking part in the initiative allowed us to continue to meet and stay warm at no cost to our members. The initiative has helped our group stay together.”

The group continues to use the centre every week.

### Case Study 3

A Hamilton-based church group continues to thrive in its home of almost 45 years thanks to the Warm Welcome initiative.

The Ferniegair Christian Spiritualist Church was established in 1978 and creates an open and welcoming environment with a service every Sunday and weekly meetings on a Tuesday in Ferniegair Hall, Hamilton.

Chairman Harry Boyd said: “Following lockdown and then some improvement works to the hall we had been away from our home at Ferniegair for almost three years. We had just started to settle back in in September last year when we heard there might be a need to close again because of tight budgets.

“It was a real worry for us, to potentially lose access again to the place where our group finds peace and calm and togetherness. So, for the Warm Welcome initiative to kick in when it did really took away that worry, and gave us the certainty to keep our doors open to all.”

### Case Study 4

Before the Warm Winter Initiative, the ABC Tiny Tots had recently attracted more members to their events in Greenhills Community Hall, East Kilbride. However, they didn’t have the

funds to maintain this for long and for the first time the group was hearing that people could not afford to pay.

Because of the initiative these issues were overcome. Numbers increased by at least 20 and remained at that level. Families were provided with an area to play, stay warm and have lunch. The children had an area to sleep or nap, while adults had access to tea and coffee and, most importantly in most cases, someone to talk to.

Founder Maureen Dynes said: "We were concerned during this difficult financial time about a number of people we had come across through our work, and the Warm Welcome initiative helped us to help them.

"Because of the Warm Welcome, we were able to help more people of our normal sort of participants and many people who we wouldn't have come across under normal circumstances. It was wonderful to see the difference we could make."

### Case Study 5

Thanks to Warm Welcome, the Machan Trust was able to provide additional food and activities in a warm place – Larkhall Leisure Centre.

Chief Executive Officer Fiona Dryburgh said: "We were able to provide food at every group we run in order to allow children, young people and families to attend, have dinner/lunch etc in a warm place. This saved families from paying food, cooking and heating costs, at a time when they were perhaps struggling in this cost-of-living crisis.

"The Machan Trust used the funding to meet the increasing demand for our activities. We were working with around 800 people a week. Over 52 weekly groups, not including our breakfast clubs.

"These groups provided a warm space, food, and activities and were open to all. This increased to around 900 people a week."